Statement By

Elaine Nekritz, State Representative

Illinois House of Representatives – 57th District Chair, Rail Safety Committee 24 South River Road, Suite 400 Des Plaines, IL 60016 (847) 257 0450

Hearing Before The

Committee on Transportation and Infrastructure U.S. House of Representatives

Washington, D.C.

September 9, 2008, 11:00 a.m.

H.R. 6707 – "Taking Responsible Action for Community Safety Act"

Mr. Chairman, Ranking Member Mica and Members of the Committee, I thank you for inviting me to testify on H.R. 6707.

As acknowledged on the Committee's web page, this legislation has arisen out of the cauldron of controversy in the Chicago region over the proposed acquisition by the Canadian National Railway (CN) of the Elgin, Joliet & Eastern Railway (EJ&E). As you are aware, this proposal is currently pending before the Surface Transportation Board (STB).

I do not oppose giving the STB authority to hold public hearings in affected communities as proposed in H.R. 6707. Nor do I oppose including safety and environmental concerns as part of the STB review process, as well as impacts on intercity passenger or commuter rail.

I am concerned, however, that the local, regional and national benefits of a transaction will get lost in the clamor created by those who are opposed. As with any controversial transaction, there are inevitable losers and winners. The winners are typically not as loud or as vocal, so I encourage the Committee to ensure that <u>all</u> local, regional and national impacts of a transaction be considered and weighed as part of any STB review.

Local Benefits

Take the case of Des Plaines, Illinois, a community I represent. Des Plaines was founded over 150 years ago on an existing rail line that provided a convenient transport to Chicago. Over the years, through additional construction and consolidations, Des Plaines, a community of only 60,000 people, became home to three Class I railroads along with a busy commuter rail station. The rails crisscross the community, intersecting with local streets 34 times, only two of which enjoy a grade separation. The bottom line it is impossible to get anywhere in Des Plaines without crossing railroad tracks.

Up until the mid 1990's, the railroads in Des Plaines were a minor inconvenience. And then came globalization, an increased need for on-time inventories, truck traffic congestion and skyrocketing fuel prices. All of these factors converged to place ever increasing freight and commuter rail traffic through our town. Now, with approximately 140 trains per day rumbling through Des Plaines, the 32 at grade crossings are frequently, if not routinely, blocked.

All the complaints that are raised by the opponents of the EJ&E transaction are a daily reality in Des Plaines. Children getting to school are put in harm's way. Emergency vehicles are delayed or rerouted. Hazardous materials are transported through residential neighborhoods. Daily commutes are longer as vehicles wait at crossings. And local businesses suffer when customers find it difficult, if not impossible, to get their destination.

It is going to get worse – both for Des Plaines and our region. According to the American Association of State Highway and Transportation Officials (AASHTO), freight rail will grow another 67% by 2020. But there is very little federal, state or local funding for constructing grade separations. Consequently, Des Plaines looks forward to even greater and greater delays from freight rail traffic.

Des Plaines is a middle class community. Its residents include teachers, firefighters and electricians. The many condominiums in downtown Des Plaines have attracted seniors who have downsized in order to afford living on a fixed income. This is not a community that can hire influential lobbyists, expensive public relations firms, print thousands of yard signs and T-Shirts or take a day off to travel downtown to testify before the STB.

So when the CN seeks to reduce the number of trains it sends through Des Plaines from 19 per day to 2, this is a local benefit that should receive consideration on par with the concerns raised by others. Our voices deserve to be heard.

Even the current STB process minimizes the opportunity for input by those who benefit from this transaction. Of the eight public hearings scheduled for comment on the draft Environmental Impact Study, seven are in communities along the EJ&E and the eighth is in downtown Chicago. And if someone wanted to travel to the outlying suburbs to testify, it is, at best, uncomfortable. Several of my constituents attended and testified

in support of the transaction at a hearing in Mundelein, Illinois. They were greeted with cold stares, cat calling and other unwelcoming behavior. Only the most thick skinned would be willing to step forward under such difficult circumstances.

Thus far, the STB has denied requests to hold additional hearings in the communities that are benefited. Because 80 communities stand to see reduced train traffic versus 34 that will see an increase, I sent a letter dated August 22, 2008 to the STB, requesting at least one hearing in a community that will benefit. A recent letter from the STB rejected the appeal.

Finally, because the freight lines in Des Plaines and similarly situated communities are already owned by the railroads, those municipalities have never had any opportunity to object to the increased traffic nor have they been offered any funding for mitigation of the impacts. I am deeply troubled by giving those who will only now feel the effects of increased train traffic an opportunity to jump to the front of the line for funding for much needed safety equipment, grade separations and noise abatement while those who have been tolerating freight traffic for years, if not decades, continue to wait.

I urge the Committee to make it crystal clear that H.R. 6707 requires all local impacts, both positive and negative, to be taken into consideration and be part of the STB decision making process.

Regional and National Benefits

There are also important regional and national considerations that should be weighed by the STB along side the local issues.

Due to its relatively low cost, rail accounts for nearly 40% of inter-city freight transport by ton. Two thirds of all freight from overseas travels through Chicago. Chicago is the world's fifth largest intermodal hub (it was third not so many years ago). Whether it is a washing machine, television, food, shoes or a myriad of other products, chances are it arrived by rail. When a light switch goes on, the coal that generated that electricity was probably hauled behind a locomotive.

The Chicago region enjoys nearly \$8 billion in economic activity as a result of the freight railroads that traverse our region. Six of the seven Class I railroads serve Chicagoland. There are over 9000 railroad jobs in our area with thousands more in warehousing, logistics and distribution that result from the proximity to the railroads. We are a rail hub and the resulting economic activity is critical to maintaining our vibrant economic diversity.

Unfortunately, our regional rail system is antiquated, over burdened and horribly congested. If we fail to address this congestion, many of the shippers and freight railroads will ultimately decide to take their business – and the corresponding trade and industrial activity - to other locales. Memphis and Kansas City are already very active in

promoting themselves as less congested options. That would be a tremendous loss to our regional economy.

The CN is offering a solution to this congestion. Stalled trains awaiting access to crowded inner-city rail yards will be reduced, average train speeds will increase, fuel consumption will decrease and transit time s for all traffic will be reduced. Again, the benefits from a private transaction that serves the public interest should not be ignored or minimized.

Finally, this Committee is very aware of the Chicago Region Environmental and Transportation Efficiency Program (CREATE). CREATE was established a few years ago when the Chicago Department of Transportation, the Illinois Department of Transportation and the six Class I railroads in the Chicago region came together to work out a plan to relieve rail and traffic congestion. CREATE was conceived as a \$1.5 billion public-private partnership.

In the last federal transportation bill, SAFETEA-LU, this Committee was instrumental in designating CREATE as a project of national significance. Ultimately, however, CREATE received only \$100 million toward the \$1.5 billion cost. And the State of Illinois has yet to come up with any funding. While we continue to haggle over taxpayer funding for critical congestion relief, the CN is offering a purely private sector solution.

Trains are the most economically and environmentally efficient form of transportation. In the global economy, which is dependent upon transporting goods quickly and reliably, freight trains are a fact of life. The transactions to be considered under H.R. 6707 deserve a fair review that considers all factors, including positive local, regional and national benefits.